ALIFORNIA ENERGY COMMISSION

16 NINTH STREET CRAMENTO, CA 95814-5512

August 1, 2001



Ms. Dawn Miller, Compliance Manager Covanta Energy 595 Market Street, Suite 2500 San Francisco, CA 94105

SUBJECT: Three Mountain Power Project (99-AFC-2C)

- Approval of Request to Change Condition AQ-26 to Allow the Use of Ultra-Low-Sulfur Fuel and
- Correction of Typographical Error in Condition NOISE-3

Dear Ms. Miller:

California Energy Commission staff have reviewed your request to change the requirement in Condition of Certification AQ-26 of the Three Mountain Power Project Commission Decision. The current condition requires use of soot filters on all off-road diesel equipment of 100 brake horse power (bhp) or greater. This letter approves the agreed-upon change (attached) to allow the use of soot filters or ultra-low-sulfur diesel fuel <15 ppm on all diesel construction equipment of 100 bhp or greater.

In addition to the requested soot filter modification, Commission staff has also made a minor change to Condition of Certification NOISE-3 (attached). Specifically, the sixth requirement of the protocol section of the condition has been corrected to read as the condition verification.

As directed by Governor's Executive Order D-25-01, concerning post-certification amendments, we have expedited review of these project modifications. Energy Commission staff has concluded that these modifications have no potential for adverse environmental or public health and safety impacts. Therefore, you are authorized to proceed with the modifications as requested. A copy of this letter will be posted on the Energy Commission's website at www.energy.ca.gov, and we will file a California Environmental Quality Act Notice of Exemption with the State Clearinghouse.

If you have any questions, please contact Connie Bruins, Compliance Project Manager, at (916) 654-3936, or by e-mail at cbruins@energy.state.ca.us.

Sincerely,

ROBERT L. THERKELSEN, Deputy Director Systems Assessment and Facilities Siting

Attachment